

CHECK YOUR FINANCIAL PRIORITIES

College is an important goal, but when it comes to setting your financial planning priorities, it shouldn't necessarily come first.

What could be more important? For starters, retirement is the most expensive goal most of us will ever save for and, unlike college, you can't borrow money to make it through.

Before saving for your child's college, it's important to make sure your own financial house is in order, which means first addressing these needs:

- » **BUDGET:** Strive to create a budget that includes saving 10% to 15% of monthly gross pay.
- » **EMERGENCY FUND:** Try to save an amount equivalent to three to six months of your living expenses.
- » **ADEQUATE INSURANCE:** Carry insurance to protect savings and earnings against the cost of unexpected hardships.
- » **PAY DOWN DEBT:** Prioritize paying down high-interest debt before saving for college.
- » **PRIORITIZE FINANCIAL GOALS:**
Remember, student loans are available to help pay for college — there are no loans to help afford retirement.

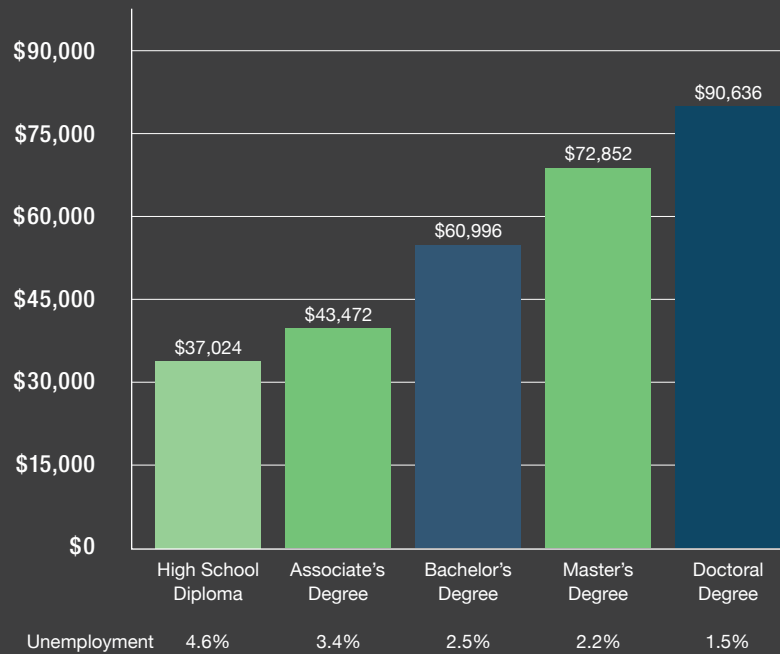
THE VALUE OF ADVANCED EDUCATION

Is a college degree worth the cost? While it depends on what you study and how much you pay, generally speaking, the answer is yes.

College graduates typically earn higher salaries than those who stop at high school. In fact, according to the Bureau of Labor Statistics, a person with a bachelor's degree can earn as much as \$1 million more over a lifetime than those with just a high school diploma.

A college education also makes you more appealing to a wider variety of employers, and gives you greater job flexibility to adapt to changes in your workplace and in the economy. The result: lower unemployment for college graduates.

EARNINGS BY EDUCATIONAL ATTAINMENT



Data are for persons age 25 and over. Earnings are for full-time wage and salary workers.

Source: U.S. Bureau of Labor Statistics, Current Population Survey.